

## Message Text

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ACTION NEA-10

INFO OCT-01 ISO-00 ERDA-05 AID-05 CEA-01 CIAE-00 CIEP-01  
COME-00 DODE-00 EB-07 FEAE-00 FPC-01 H-01 INR-07  
INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-04 USIA-06  
OES-06 SP-02 SS-15 STR-04 TRSE-00 ACDA-07 PA-01 PRS-01  
AF-08 /107 W

----- 069198 /73

R 201515Z DEC 76  
FM AMEMBASSY ALGIERS  
TO SECSTATE WASHDC 5635  
INFO AMEMBASSY TEHRAN  
AMEMBASSY DOHA  
AMEMBASSY JIDDA

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E.O. 11652: N/A  
TAGS: ENRG, AG  
SUBJECT: OPEC PRICE DECISIONS

1. ALGERIAN PRESS REACTION TO OPEC PRICE DECISIONS  
HAS BEEN MIXED. FRENCH LANGUAGE "EL MOUDJAHID" HAS  
CONFINED ITSELF LARGELY TO REPEATING COMMENTS FROM  
AROUND THE WORLD, WHILE ARABIC-LANGUAGE "ASH SHAAB"  
HAS SHARPLY CRITICIZED US AND SAUDI ARABIA.
2. ALTHOUGH OSTENSIBLY SIMPLY QUOTING OTHERS, BY  
PRESENTATION AND TONE "EL MOUDJAHID" MANAGED IMPLY  
US-SAUDI COLLUSION AT EXPENSE OF UNDERDEVELOPED WORLD.  
PAPER HIGHLIGHTED SO-CALLED " CAUSTIC TONE" WITH WHICH  
PRESIDENT FORD STIGMATIZED "THE 'SHORT-SIGHTED' MEASURES  
OF THE ELEVEN".
3. MAJOR EDITORIAL ON SUBJECT APPEARED IN ARABIC  
LANGUAGE "ASH-SHAAB". EDITORIAL HIGHLY CRITICAL OF  
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BOTH SAUDI ARABIA AND UNITED STATES. AFTER BRIEF  
RECITAL OF FACTS, EDITORIAL MAKES FOLLOWING POINTS:  
A. ANYONE WHO HAS FOLLOWED EVENTS OF RECENT MONTHS  
CANNOT HAVE BEEN SURPRISED BY "CRISIS" WHICH HAS BEFALLEN  
OPEC. THE ELEVEN COUNTRIES WHO HAVE ASKED FOR AN  
INCREASE IN PRICE DID SO IN THE FACE OF THE HEAVY

HAND OF THE UNITED STATES WORKING WITHIN THE ORGANIZATION  
BY MEANS OF A MEMBER STATE.

B. IT ONLY REMAINS TO WONDER AT THE POSITION OF  
SAUDI ARABIA, THE ROLE IT HAS PLAYED AND ITS MOTIVES  
FOR ADOPTING THIS POSITION. YAMANI'S ARGUMENT THAT ANY  
DECISION WHICH WOULD HARM WESTERN ECONOMIES WOULD NOT  
BE IN INTEREST OF OPEC COUNTRIES DOES NOT STAND UP TO  
ANALYSIS. (THERE FOLLOWS VERY WEAK EXPLANATION WHY.)

C. ONLY EXPLANATION FOR SAUDI ARABIA'S BEHAVIOR IS  
THAT IT HAS CAUSED THIS CRISIS -- WHICH WILL BE  
EXPLOITED BY CAPITALIST COUNTRIES LED BY UNITED STATES --  
IN ORDER BREAK UP UNITY AND COHESION OF OPEC. THIS IS  
CLEAR FROM YAMANI'S DEPARTURE STATEMENT THAT WORLD MARKET  
WILL DETERMINE QUANTITY OF OIL WHICH SAUDI ARABIA WILL  
PRODUCE IN THE FUTURE. IT IS EASY TO UNDERSTAND THE  
MESSAGE IN THIS STATEMENT, SINCE SAUDI ARABIA AND  
UNITED STATES (SIC) CURRENTLY PRODUCE THIRD OF  
PRODUCTION OF OPEC AND HAVE GREAT CAPACITY INCREASE PRODUCTION,  
THUS FORCING OPEC COUNTRIES SELL THEIR PRODUCTION AT SAME PRICE.

D. SURPRISING THING IS YAMANI'S STATEMENT THAT  
SAUDI ARABIA DID NOT INTEND BREAK UP OPEC BUT ONLY  
INTENDED MAINTAIN SOVEREIGNTY OVER ITS OIL CAME AT  
SAME TIME AS AMERICAN PRESIDENT CASTIGATING ELEVEN  
COUNTRIES OVER RISE IN PRICE OF THEIR OIL. THIS  
COINCIDENCE DEMONSTRATES CLEAR INTERFERENCE IN AFFAIRS  
OF OPEC MEMBER STATES AND INFRINGEMENT ON THEIR  
LEGITIMATE RIGHT TO PRESERVE SOVEREIGNTY OVER THEIR  
NATURAL RESOURCES.

4. COMMENT: THERE HAS BEEN NO OFFICIAL STATEMENT OF  
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ALGERIAN ATTITUDES. SAUDI AMBASSADOR COMMENTED TO  
CHARGE THAT HE CONSIDERS ASH-SHAAB EDITORIAL GOOD  
EXPRESSION OF ALGERIAN VIEWS.

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PRESS COMMENTS, PETROLEUM, CONSORTIUMS, PRICES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 20 DEC 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** SmithRJ  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976ALGIER02975  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760467-0176  
**From:** ALGIERS  
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**Line Count:** 102  
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**Office:** ACTION NEA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
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**Status:** NATIVE  
**Subject:** OPEC PRICE DECISIONS  
**TAGS:** ENRG, SOPN, AG, OPEC  
**To:** STATE  
**Type:** TE  
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